



JOBS THROUGH RECYCLING



JTR Grantee Series Delaware

The U.S. Environmental Protection Agency's (EPA's) Jobs Through Recycling (JTR) grant awarded to the state of Delaware in 1994 was the beginning of a new era for environmental programs in the state. Prior to receiving the JTR grant, Delaware did not have resources to promote recycling markets or individually assist businesses in manufacturing products from recycled materials. Despite the signing of a statewide executive order in July 1990 recommending recycling as a means of reducing waste materials and mandating the establishment of a comprehensive recycling program, the state did not set measurable goals until it received the JTR grant.

At the outset, the Delaware Recycling Economic Development Advocate (REDA) established the following goals:

- Double the number of Green Industries Initiative (GII) businesses statewide.
- Create 125 new jobs.
- Facilitate the investment of \$5 million in recycling capital.
- Gain a statewide consensus on recycling market development.

Under the JTR grant, the REDA expanded the state's GII to retain and create more than 150 quality jobs, generated capital investments for recycling-based businesses worth over \$10 million, and increased business participation from 7 to 24 approved applicants.

PROGRAM ACTIVITIES

The Delaware REDA provided assistance to business in the following two primary areas:

Technical and Financial Assistance

Established prior to the JTR grant, GII embodied the first real attempt to promote recycling-related industry in Delaware. Begun as a cooperative effort between the Department of Natural Resources and Environmental Control (DNREC) and the Delaware Economic Development Office (DEDO) in 1992, GII was strengthened through the 1994 JTR grant.

At a Glance

Grant Type: REDA

Office Awarded:
Delaware Economic
Development Office

Project Partner:
Delaware Department of
Natural Resources and
Environmental Control

Year Awarded: 1994

Funding:
\$74,000 in EPA funding
\$25,000 in state funding
\$99,000 in total funding

Materials Targeted:
Organics and Compost
Waste Tires
Plastics

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The technical and financial assistance provided by the grant fostered recycling markets and promoted the further establishment of GII businesses.

GII requires businesses to demonstrate a serious commitment to recycling and environmental issues in exchange for technical and financial assistance. Businesses provide information to the REDA on what efforts are being made to increase recycling, including adding recycled-content feedstock to a manufacturing process or opening a recyclable commodity processing facility. Through GII, the REDA provided technical assistance including siting, employee training, expedited environmental permitting, and marketing assistance. In addition, the REDA provided assistance in obtaining tax abatement and credits, loans, and financing. The REDA assisted scrap tire processor Magnus Environmental, for example, with siting, locating feedstock, and permitting. As a result, Magnus added 21 full-time employees to its staff. That facility also helped alleviate stockpiles of waste tires throughout the state.

The REDA believes that outreach changed industry's perception of the state and enhanced the profit-making capability of the recycling industry.

In addition to recycling market development information, the REDA assisted businesses with equipment, sourcing, and commodity information and,

thus, became Delaware's designated state recycling expert.

Promotion and Publicity

The REDA promoted available recyclable commodities to businesses that could use them in their manufacturing processes. In addition, the REDA helped develop all facets of the recycling business (i.e., collection, processing, and marketing). The REDA's ability to network with state businesses and create new alliances allowed a building of trust that facilitated significant gains in recycling market development statewide.

CHALLENGES OVERCOME

- **Strained public and private relationships.** Prior to the grant, Delaware business and industry organizations had difficulty finding reliable information on recycling issues. Slow response to that issue by the state left strained relations between the public and private sectors. The REDA addressed the issue by offering technical assistance to businesses requesting information. The REDA believes that outreach changed industry's perception of the state and enhanced the profit-making capability of the recycling industry.
- **Lack of tracking tools.** Once at the Economic Development Office, the REDA had no means of tracking recycling efforts electronically. The REDA understood, however, the need to keep track of assistance and core measures and kept a diary of contacts and activity to help track assistance and followup. The contact diary formed the basis of the networking database the REDA now uses to gather the data necessary (e.g., jobs, investment, and recovery rates) to measure success.

Partners

The REDA partnered with the following organizations to promote economic development opportunities with recycling:

- **DNREC**—DNREC was the grantee's primary program partner, providing permitting support for GII businesses and prospects. The REDA worked with several sections of DNREC, including solid waste, air quality, and wetlands, to find recycling options or markets for waste materials. Successful cooperative efforts ranged from permitting to identifying compost supplies for wetlands mitigation projects implemented due to road projects in the state.
- **University of Delaware (UD) Extension**—UD Extension worked with the grantee on the creation of the Composting Association of Delaware (CAD). CAD is dedicated to promoting composting in Delaware and is composed of 35 active organizations representing commercial, municipal, university, and other interests.
- **Delaware Manufacturing Alliance (DMA)**—DMA worked with the REDA to promote recycling options for manufacturers in Delaware. The REDA developed business waste assessment programming for DMA members using EPA WasteWise program materials. The REDA also worked with DMA to find answers to a pallet waste issue that plagued Delaware manufacturers. Waste reduction opportunities included pallet repair and reuse as well as composting of scrap pallets.

JTR GRANTEE SERIES: DELAWARE

LESSONS LEARNED

- **Find your network.** It is important to expand business and industry contact networks to ensure successful recycling economic development programs. Networks can educate, generate leads, and set up potential outreach opportunities.
- **Position the recycling industry as a legitimate enterprise.** The needs of the recycling industry must be taken seriously by the state. The REDA's approach was to "only talk about commodities, not solid waste." This approach put the REDA in a better position (by avoiding the use of the terms "trash" or "waste"), because of the emphasis on the value of recyclable materials and recycling's viability for Delaware industries.

Networks can educate, generate leads, and set up potential outreach opportunities.

- **Gather and maintain quality data.** Accurate assessment of recyclable commodity tonnages within the state is essential for the recruitment of new businesses. Without accurate available feedstock information, new prospects cannot assess actual market status and

opportunities. Prospects are more likely to invest in recycling opportunities within a state that maintains accurate information.

ACCOMPLISHMENTS

The REDA believes that the institutionalization of GII was the greatest accomplishment of the 1994 JTR grant. In addition, the REDA notes two major environmental benefits during the 1994 grant period. First, helping site a processing facility for waste tires addressed the nagging problem of tire stockpiles, which had caused tire fires in the past. Second, increasing recyclable materials diversion from Delaware landfills benefited the state by extending landfill life and promoting more efficient use of resources.

PROGRAM FUTURE

The REDA's position received state funding in June 1996. The position is now being sustained within the

Economic Development Office, which continues to advocate the Green Industries Initiative and recycling market development. The REDA now plans to search for another niche in which to develop quantifiable results. With state backing assured, the REDA will continue to prove the importance of recycling market development in Delaware.

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Delaware also received a 1997 JTR grant from EPA. Several major activities are planned under the new grant including development of a recycled commodity resource information system, market development efforts for construction and demolition waste material, and a plastics conversion project.

RESULTS

Full-Time Equivalents Created:	154 jobs
Part-Time Jobs Created:	40 jobs
Amount of Capital Invested:	\$10.1 million in new capital investment
Volume of New Capacity Created:	
Paper	50,000 tons per year
Plastics	10,000 tons per year
Wood	15,000 tons per year
Tires	30,000 tons per year
Total:	105,000 tons per year
Weight of Waste Diverted From Disposal:	228,508 tons per year
Short-Term Assistance	68 businesses assisted
In-Depth Assistance	15 businesses assisted



JOBS THROUGH RECYCLING

Jobs Through Recycling *Success Stories*



**CHRYSLER
CORPORATION**

CHRYSLER CORPORATION, NEWARK ASSEMBLY PLANT

Chrysler Corporation manufactures automobiles at its Newark, Delaware, assembly plant. Gary Eberhard, Solid Waste Specialist for Chrysler, began coordinating the waste management effort at the Newark plant in 1990. At that time, Chrysler was spending \$1.2 million annually for disposal of waste materials. Within the first year, Chrysler saved \$800,000. In 1997, Chrysler spent only \$240,000 on disposal charges.

The Delaware REDA assisted Chrysler in the following ways:

- **Finding Wooden Pallet Markets and Durable Pallet Manufacturers.** The REDA worked to find reuse, recycling, and durable pallet options. Prior to the REDA's assistance, Chrysler disposed of 3,000 pallets daily. The REDA helped trim that number down to 900 outsourced for repair and reuse. The REDA found Chrysler a pallet refurbisher, which now receives 33 tons of pallets daily from Chrysler. The exchange created two new jobs at the pallet processing facility.
- **Finding Tire Disposal Alternatives.** One notable waste reduction effort transforms waste tires into a commodity. Six hundred tires per year are sent to a tire reprocessing facility.

"The REDA is an important part of Chrysler's efforts to find markets for recyclable commodities."

GARY EBERHARD
Solid Waste Specialist,
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FIRST STATE RECYCLING

First State Recycling is a processor and broker of preconsumer plastics and other materials including film and corrugated containers. The REDA assisted First State with the following two major tasks:

- **Siting and Funding.** The REDA met two entrepreneurs interested in starting a recycling business in New Jersey or Delaware in 1995. The REDA helped them apply for the GII and secure a state subsidized loan of \$65,000, which provided important startup capital. The REDA also worked with the entrepreneurs in finding their first location and working out the details to make their startup relatively smooth.
- **Markets and Promotion.** The REDA assisted First State in expanding its base of markets by networking the company with the REDA's in-state contacts. The REDA also helped promote the company in the state business journal.

"The financing assistance the REDA helped us find was crucially important to our decision to locate in Delaware."

RICHARD BASTIAN
President, First State Recycling

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